

UNITED STATES BANKRUPTCY COURT

Southern DISTRICT OF Texas

(Houston)

In Re. Holo Surgical, Inc.

§
§
§
§

Case No. 23-90736

Debtor(s)

Lead Case No. 23-90731

☒ Jointly Administered**Monthly Operating Report**

Chapter 11

Reporting Period Ended: 08/31/2023

Petition Date: 06/19/2023

Months Pending: 2

Industry Classification:

| | | | |
|---|---|---|---|
| 3 | 3 | 9 | 1 |
|---|---|---|---|

Reporting Method:

Accrual Basis ☒Cash Basis ☐

Debtor's Full-Time Employees (current):

38

Debtor's Full-Time Employees (as of date of order for relief):

112

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☒ Accounts receivable aging
- ☒ Postpetition liabilities aging
- ☒ Statement of capital assets
- ☒ Schedule of payments to professionals
- ☒ Schedule of payments to insiders
- ☒ All bank statements and bank reconciliations for the reporting period
- ☒ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Steven Balasiano

Signature of Responsible Party

01/22/2024

Date

Steven Balasiano

Printed Name of Responsible Party

6701 Bay Parkway, 3rd Flr., Brooklyn, NY 11204
Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name Holo Surgical, Inc.

Case No. 23-90736

| Part 1: Cash Receipts and Disbursements | Current Month | Cumulative |
|--|---------------|------------|
| a. Cash balance beginning of month | \$0 | |
| b. Total receipts (net of transfers between accounts) | \$0 | \$0 |
| c. Total disbursements (net of transfers between accounts) | \$0 | \$0 |
| d. Cash balance end of month (a+b-c) | \$0 | |
| e. Disbursements made by third party for the benefit of the estate | \$0 | \$0 |
| f. Total disbursements for quarterly fee calculation (c+e) | \$0 | \$0 |

| Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.) | Current Month |
|--|---------------|
| a. Accounts receivable (total net of allowance) | \$0 |
| b. Accounts receivable over 90 days outstanding (net of allowance) | \$0 |
| c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation)) | \$0 |
| d. Total current assets | \$0 |
| e. Total assets | \$0 |
| f. Postpetition payables (excluding taxes) | \$42,388 |
| g. Postpetition payables past due (excluding taxes) | \$0 |
| h. Postpetition taxes payable | \$0 |
| i. Postpetition taxes past due | \$0 |
| j. Total postpetition debt (f+h) | \$42,388 |
| k. Prepetition secured debt | \$0 |
| l. Prepetition priority debt | \$0 |
| m. Prepetition unsecured debt | \$0 |
| n. Total liabilities (debt) (j+k+l+m) | \$42,388 |
| o. Ending equity/net worth (e-n) | \$-42,388 |

| Part 3: Assets Sold or Transferred | Current Month | Cumulative |
|--|---------------|------------|
| a. Total cash sales price for assets sold/transferred outside the ordinary course of business | \$0 | \$0 |
| b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business | \$0 | \$0 |
| c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b) | \$0 | \$0 |

| Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.) | Current Month | Cumulative |
|---|---------------|-------------|
| a. Gross income/sales (net of returns and allowances) | \$0 | |
| b. Cost of goods sold (inclusive of depreciation, if applicable) | \$0 | |
| c. Gross profit (a-b) | \$0 | |
| d. Selling expenses | \$0 | |
| e. General and administrative expenses | \$-861,045 | |
| f. Other expenses | \$0 | |
| g. Depreciation and/or amortization (not included in 4b) | \$0 | |
| h. Interest | \$0 | |
| i. Taxes (local, state, and federal) | \$0 | |
| j. Reorganization items | \$0 | |
| k. Profit (loss) | \$861,045 | \$1,643,571 |

Debtor's Name Holo Surgical, Inc.

Case No. 23-90736

Part 5: Professional Fees and Expenses

| a. | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|--------|---|------|---------------------------|------------------------|-----------------------|--------------------|
| | Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i> | | \$0 | \$0 | \$0 | \$0 |
| | <i>Itemized Breakdown by Firm</i> | | | | | |
| | Firm Name | Role | | | | |
| i | N/A | | \$0 | \$0 | \$0 | \$0 |
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Debtor's Name Holo Surgical, Inc.

Case No. 23-90736

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Debtor's Name Holo Surgical, Inc.

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| b. | | | Approved Current Month | Approved Cumulative | Paid Current Month | Paid Cumulative |
|------|--|------|---------------------------|------------------------|-----------------------|--------------------|
| | Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i> | | \$0 | \$0 | \$0 | \$0 |
| | <i>Itemized Breakdown by Firm</i> | | | | | |
| | Firm Name | Role | | | | |
| i | N/A | | \$0 | \$0 | \$0 | \$0 |
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Debtor's Name Holo Surgical, Inc.

Case No. 23-90736

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| | c | | | | | | |
| c. | All professional fees and expenses (debtor & committees) | | | \$0 | \$0 | \$0 | \$0 |

Part 6: Postpetition Taxes**Current Month****Cumulative**

| | | | |
|----|---|-----|-----|
| a. | Postpetition income taxes accrued (local, state, and federal) | \$0 | \$0 |
| b. | Postpetition income taxes paid (local, state, and federal) | \$0 | \$0 |
| c. | Postpetition employer payroll taxes accrued | \$0 | \$0 |
| d. | Postpetition employer payroll taxes paid | \$0 | \$0 |
| e. | Postpetition property taxes paid | \$0 | \$0 |
| f. | Postpetition other taxes accrued (local, state, and federal) | \$0 | \$0 |
| g. | Postpetition other taxes paid (local, state, and federal) | \$0 | \$0 |

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☐ No ☒
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☒ No ☐
- k. Has a disclosure statement been filed with the court? Yes ☒ No ☐
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Debtor's Name Holo Surgical, Inc.

Case No. 23-90736

Part 8: Individual Chapter 11 Debtors (Only)

- | | | |
|--|-------|-----|
| a. Gross income (receipts) from salary and wages | _____ | \$0 |
| b. Gross income (receipts) from self-employment | _____ | \$0 |
| c. Gross income from all other sources | _____ | \$0 |
| d. Total income in the reporting period (a+b+c) | _____ | \$0 |
| e. Payroll deductions | _____ | \$0 |
| f. Self-employment related expenses | _____ | \$0 |
| g. Living expenses | _____ | \$0 |
| h. All other expenses | _____ | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | _____ | \$0 |
| j. Difference between total income and total expenses (d-i) | _____ | \$0 |
| k. List the total amount of all postpetition debts that are past due | _____ | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes ☐ No ☒
- m. If yes, have you made all Domestic Support Obligation payments? Yes ☐ No ☐ N/A ☒

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Steven Balasiano

Signature of Responsible Party

Plan Administrator

Title

Steven Balasiano

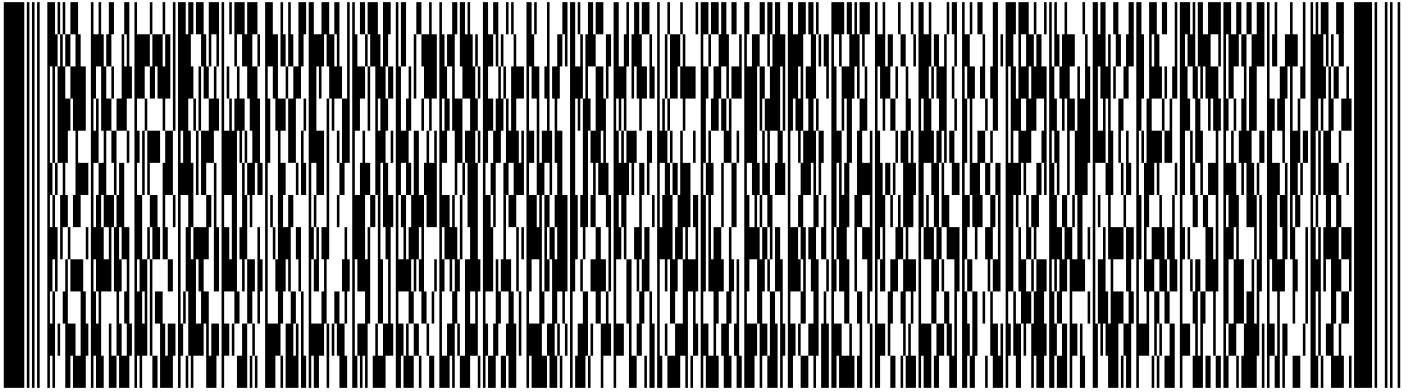
Printed Name of Responsible Party

01/22/2024

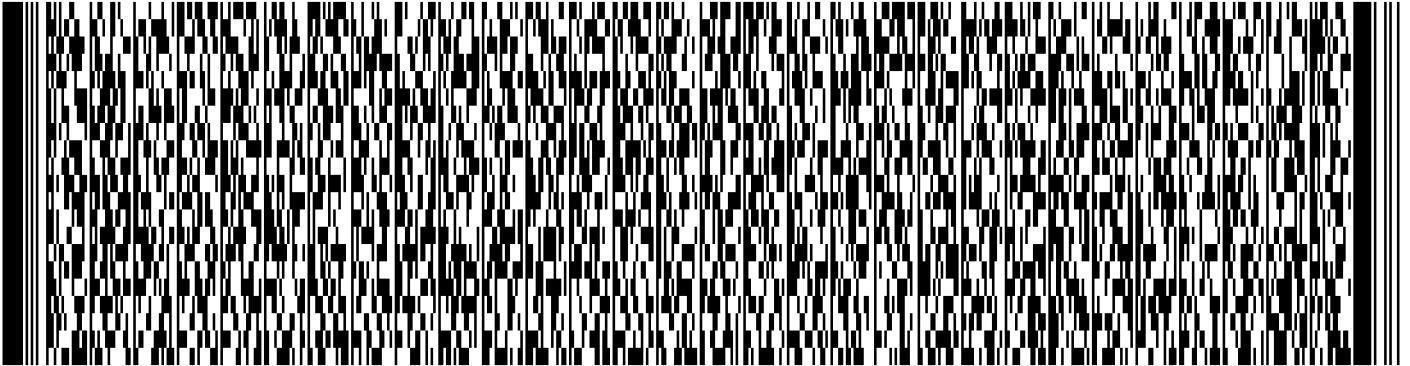
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Debtor's Name Holo Surgical, Inc.

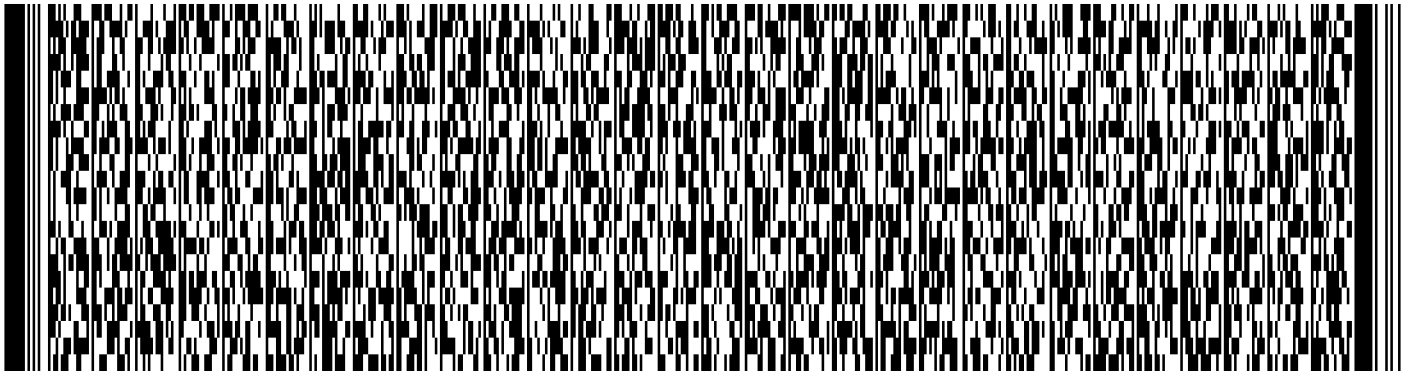
Case No. 23-90736



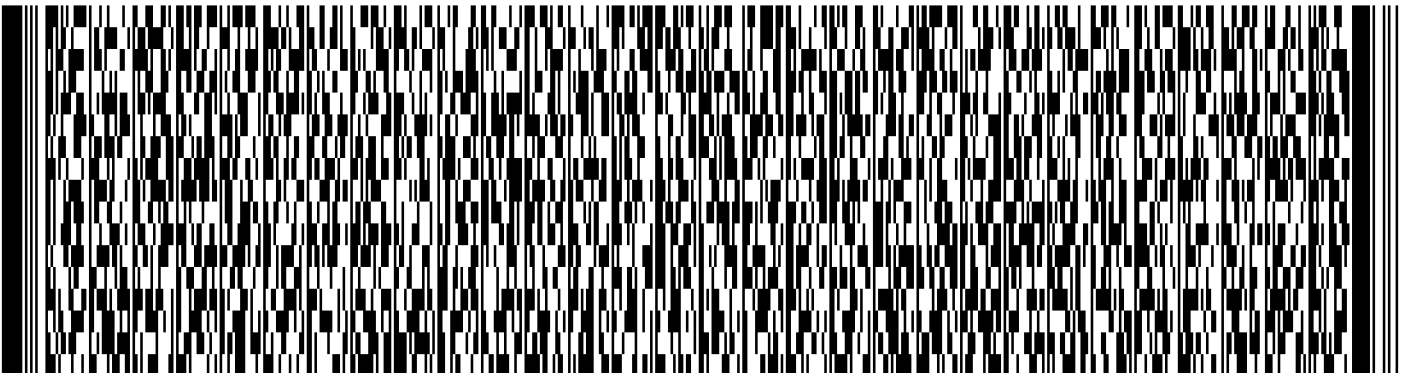
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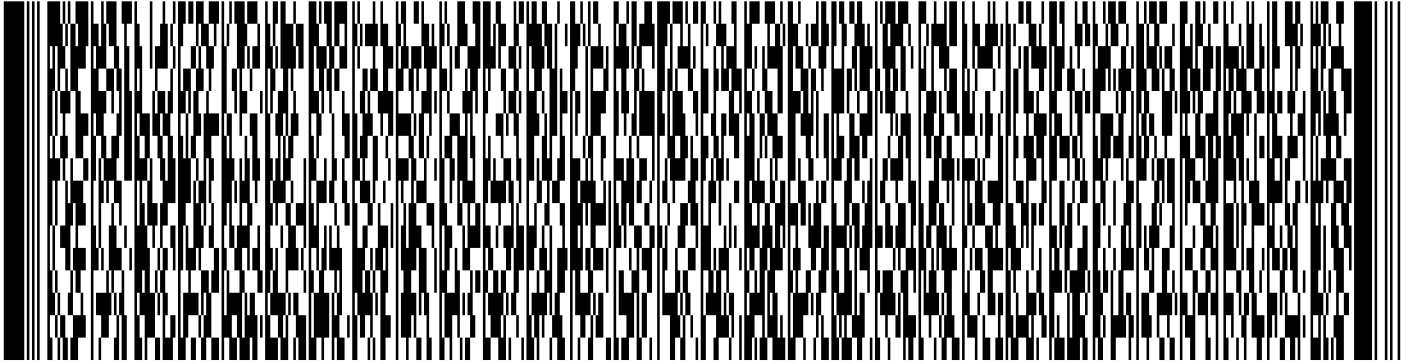
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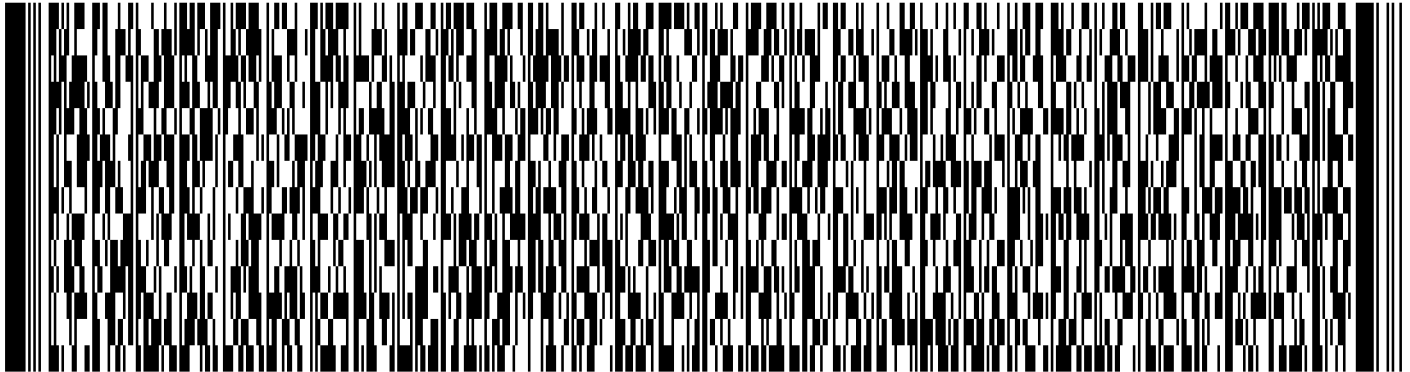
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Debtor's Name Holo Surgical, Inc.

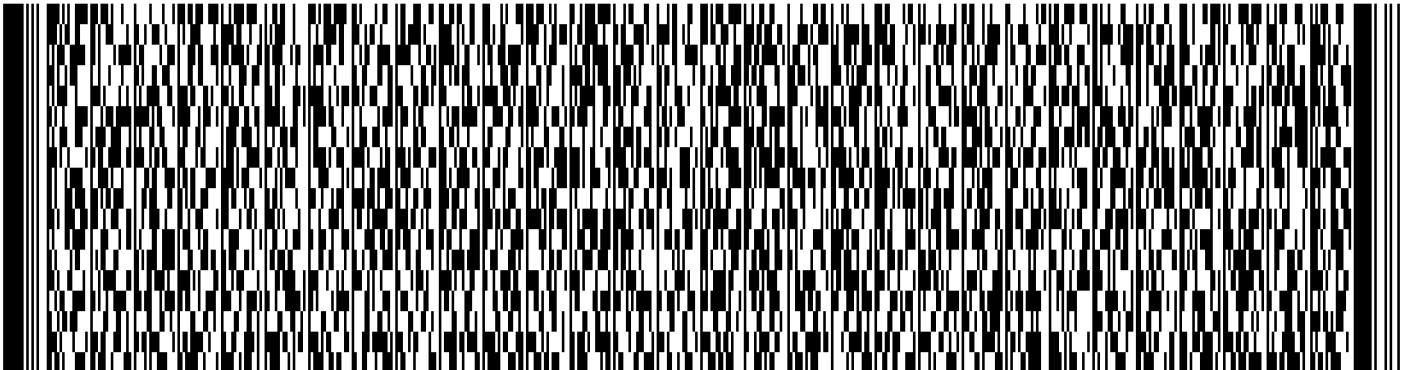
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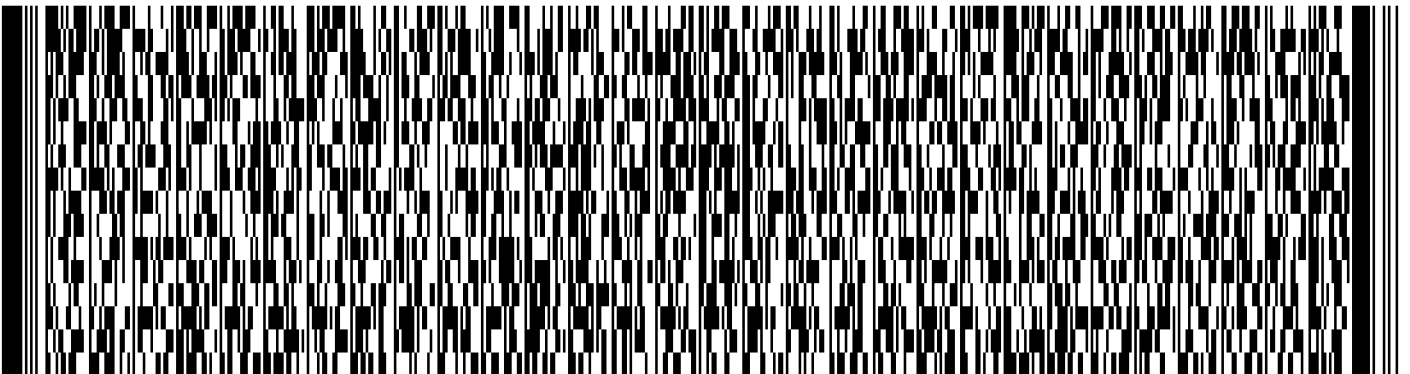
Bankruptcy1to50



Bankruptcy51to100



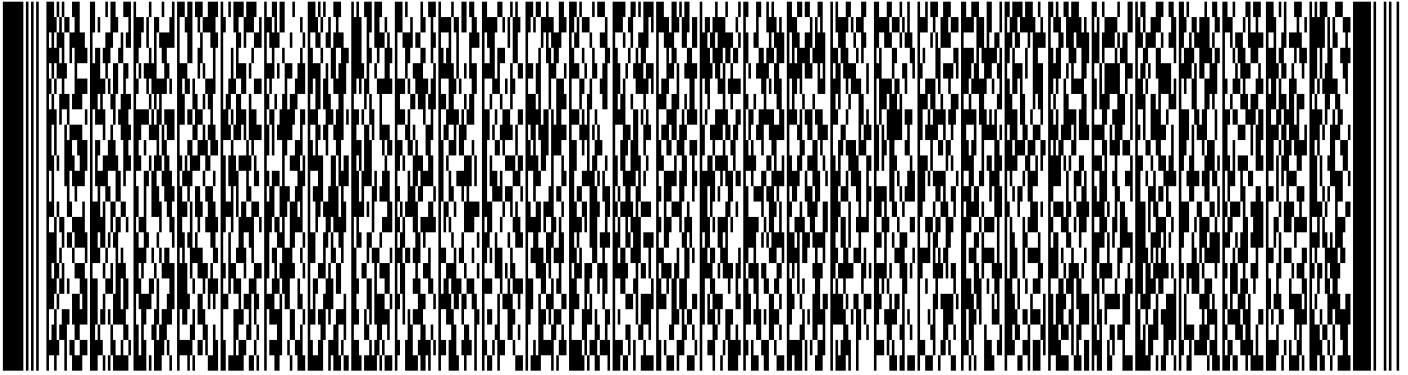
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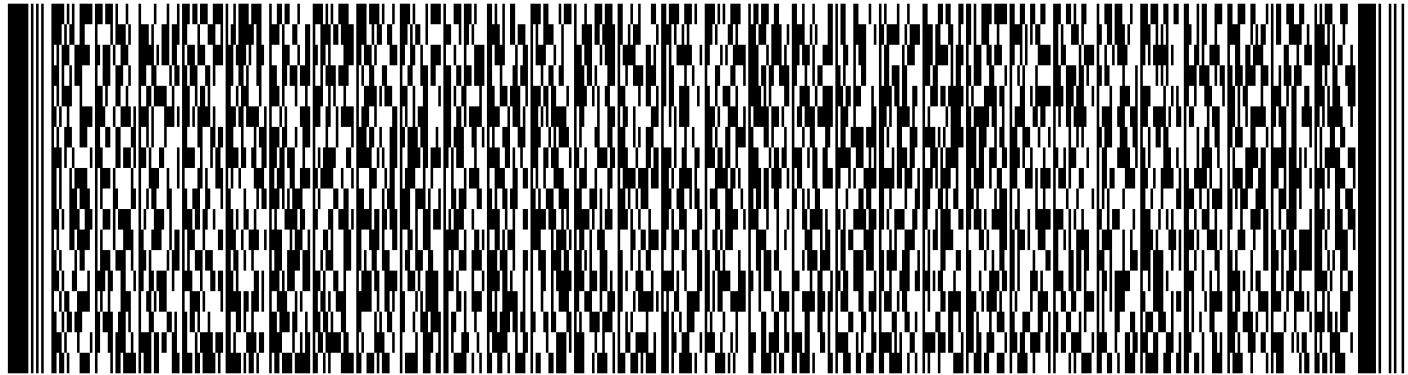
NonBankruptcy51to100

Debtor's Name Holo Surgical, Inc.

Case No. 23-90736



PageThree



PageFour

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

MOR Notes

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Notes to the Monthly Operating Report**General:**

The report includes activity from the following Debtors and related Case Numbers:

| Debtor | Case Number |
|---|-------------|
| Spinal Transition and Professional Services LLC | 23-90730 |
| Surgalign Holdings, Inc. | 23-90731 |
| Holo Surgical Technology Inc. | 23-90732 |
| Andi's Belmarall, LLC | 23-90733 |
| Pioneer Surgical Technology Inc. | 23-90734 |
| Fourth Dimension Spine, LLC | 23-90735 |
| Holo Surgical, Inc. | 23-90736 |
| Surgalign Spine Technologies, Inc. | 23-90737 |

General Notes:

The financial and supplemental information contained herein is presented on preliminary and unaudited basis, remains subject to future adjustments and may not comply in all material respects with generally accepted accounting principles in United States of America ("U.S. GAAP"). This MOR should not be relied on by any persons for information relating to current or future financial conditions, events, or performance of any of the Debtors or their affiliates.

The financial information has been derived from the books and records of the Debtors. This information, however, has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. GAAP, and upon application of such procedures, the Debtors believe that the financial information could be subject to material changes.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the combined results of operations and financial positions of the Debtor in the future.

The Debtors reserve all rights to amend or supplement this MOR in all respects, as may be necessary or appropriate. Nothing contained in this MOR shall constitute a waiver of any of the Debtors' rights or an admission with respects to their chapter 11 cases.

Totals and Subtotals may not foot because of rounding (applies to all MOR schedules).

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: Holo Surgical, Inc.

MOR-1
Case No. (Jointly Administered): 23-90736
Reporting Period: 8/1/2023 - 8/31/2023

| Schedule of Cash Receipts and Disbursements | | | | | | | | | | | | | | |
|---|-------------|----------------------------|-----------------------------|------------------------|----------------------------------|------------------|--|-----------------------------------|--------------------------|-------------------------------|---------------------------------------|-----------------------------------|--------------------------|--|
| Debtor | Case Number | Cash Balance Beg. of Month | Cash Receipts Current Month | Intercompany Transfers | Cash Disbursements Current Month | Cash Balance EOM | Disbursements by 3rd Party Current Month | Total Disbursements Current Month | Cumulative Cash Receipts | Cumulative Cash Disbursements | Cumulative Disbursements by 3rd Party | Cumulative Intercompany Transfers | Cumulative Disbursements | |
| Spinal Transition and Professional Services LLC | 23-90730 | \$ - | - | - | - | \$ - | - | \$ - | \$ - | \$ - | - | - | \$ - | |
| Surgalign Holdings, Inc. ⁽¹⁾ | 23-90731 | 7,306,801 | - | (7,306,801) | - | - | - | - | 72,812 | 600,000 | - | (7,306,801) | 600,000 | |
| Holo Surgical Technology Inc. | 23-90732 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Andi's Belmarall, LLC | 23-90733 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Pioneer Surgical Technology Inc. | 23-90734 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Fourth Dimension Spine, LLC | 23-90735 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Holo Surgical, Inc. | 23-90736 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Surgalign Spine Technologies, Inc. | 23-90737 | 419,447 | 10,204,864 | 7,306,801 | 6,416,462 | 11,514,650 | - | 6,416,462 | 17,669,218 | 14,427,302 | - | 7,306,801 | 14,427,302 | |
| Total Cash Receipts and Cash Disbursements | | \$ 7,726,248 | \$ 10,204,864 | \$ - | \$ 6,416,462 | \$ 11,514,650 | \$ - | \$ 6,416,462 | \$ 17,742,030 | \$ 15,027,302 | \$ - | \$ - | \$ 15,027,302 | |

Notes

1) The Money Market account opened under the "Surgalign Holdings, Inc.", was closed in August and the funds were transferred to the operating account ending 3139

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: Holo Surgical, Inc. Case No. (Jointly Administered): MOR-2 23-90736
Reporting Period: 8/1/2023 - 8/31/2023

| Asset and Liability Status | |
|---|----------------------|
| | 8/1/2023 - 8/31/2023 |
| Assets | |
| Cash and cash equivalents | - |
| Accounts receivable | - |
| Inventories | - |
| Prepaid and other current assets | 3,159 |
| Total current assets | 3,159 |
| Investment in subsidiaries | - |
| Deferred Tax Asset | - |
| Intangibles | - |
| Property and equipment - net ⁽¹⁾ | 2,139,994 |
| Other assets - net | 7,194 |
| Total assets | 2,150,348 |
| Liabilities and Stockholders' Equity | |
| Current Liabilities: | |
| Accounts payable | 42,383 |
| Accrued expenses | 5,768 |
| Accrued income taxes | - |
| Total current liabilities | 48,151 |
| Intercompany | 23,039,420 |
| Notes payable - related party | - |
| Other long-term liabilities | - |
| Total liabilities | 23,087,571 |
| Stockholders Equity: | |
| Common stock | - |
| Preferred Stock (NCI) | - |
| Additional paid-in capital | - |
| Accumulated other comprehensive loss | (263,465) |
| Accumulated deficit | - |
| Treasury stock | - |
| Retained earnings | (15,927,278) |
| Current year retained earnings | (4,746,481) |
| Total stockholders' equity | (20,937,223) |
| Total liabilities and stockholders' equity | 2,150,348 |

Notes

1) The Accounting has not been completed to reflect the asset sale in August, however these figures are subject to change in future periods

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: Holo Surgical, Inc.

MOR-3
Case No. (Jointly Administered): 23-90736
Reporting Period: 8/1/2023 - 8/31/2023

| Assets Sold or Transferred | | | |
|---|----------------------|---|------------|
| | 8/1/2023 - 8/31/2023 | | Cumulative |
| Total cash sales price for assets sold/transferred outside the ordinary course of business | \$ | - | \$ - |
| Total payments to 3rd parties incident to assets being sold/transferred outside the ordinary course of business | | - | - |
| Net Cash Proceeds from assets sold/transferred outside the ordinary course of business | \$ | - | \$ - |

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION

MOR-4

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Consolidated Statement of Operations (in 000s)

| | August 1 - 31, 2023 | Cumulative |
|--|----------------------------|-------------------|
| Revenues | - | - |
| Cost of goods sold | - | - |
| Gross profit | - | - |
| Operating Expenses: | | - |
| General and administrative | (861,045) | (1,625,067) |
| Asset impairment and abandonments | - | (44,904) |
| Other operating expenses | - | - |
| Total operating expenses | (861,045) | (1,669,971) |
| Operating income/loss | (861,045) | (1,669,971) |
| Other expense (income) - net: | | - |
| Interest & other income | - | - |
| Interest & other expenses | - | - |
| Other (income) expense - net | - | 26,401 |
| Foreign exchange (loss)/gain | - | - |
| Gain/Loss Asset Transaction | - | - |
| Change in fair value of warrant liability | - | - |
| Total other (income) expense - net | - | 26,401 |
| Loss before income tax (benefit) provision | (861,045) | (1,643,570) |
| Income tax (benefit) provision | - | - |
| Net (loss)/gain from continuing operations | (861,045) | (1,643,570) |

MOR-5 (a)

23-90736

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

Reporting Period:

8/1/2023 - 8/31/2023

Schedule of Payments to Professionals

| Professional | Role / Capacity | Approved Current Month | Approved Payments Since Filing | Paid Current Month | Cumulative Payments Since Filing |
|-------------------------------------|---|------------------------|--------------------------------|--------------------|----------------------------------|
| Alvarez & Marsal North America, LLC | Debtor's Financial Advisor / Investment Banker | \$ - | \$ - | \$ - | \$ - |
| White and Case | Debtor's Legal Counsel | - | - | - | - |
| Jackson Walker | Local Counsel | - | - | - | - |
| Kroll | Claims Agent | - | - | - | - |
| Pachulski Stang Ziehl & Jones LLP | Creditor's Legal Counsel (Unsecured Creditor's Committee) | - | - | - | - |
| Province | Creditor's Financial Advisor (Unsecured Creditor's Committee) | - | - | - | - |
| Total | | \$ - | \$ - | \$ - | \$ - |

In re: Holo Surgical, Inc.

MOR-5 (b)
Case No. (Jointly Administered): 23-90736
Reporting Period: 8/1/2023 - 8/31/2023

Schedule of Payments to Ordinary Course Professionals

| Ordinary Course Professional | Role / Capacity | Approved Current Month | Approved Payments Since Filing | Paid Current Month | Cumulative Payments Since Filing |
|---------------------------------|--|------------------------|--------------------------------|--------------------|----------------------------------|
| Compliance & Risk Solutions LLP | Compliance Counsel | \$ - | \$ - | \$ - | \$ - |
| Polsinelli LLP | S.E.C. Counsel | - | - | - | - |
| Cooley LLP | Patent Prosecution Counsel | - | - | - | - |
| Fitch Even Tabin & Flannery | Patent and Trademark Prosecution Counsel | - | - | - | - |
| Farber LLC | Patent Prosecution Counsel | - | - | - | - |
| McAndrews, Held & Malloy, Ltd. | Patent Litigation Counsel | - | - | - | - |
| Grant Thornton LL | Auditor | - | - | - | - |
| Total | | \$ - | \$ - | \$ - | \$ - |

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION

MOR-6

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Status of Postpetition Taxes

| Tax Category | Current Month | Cumulative |
|---|----------------------|-------------------|
| Postpetition income taxes accrued | \$ - | \$ - |
| Postpetition income taxes paid | - | - |
| Postpetition employer payroll taxes accrued | - | - |
| Postpetition employer payroll taxes paid | - | - |
| Postpetition property taxes paid | - | - |
| Postpetition other taxes accrued | - | - |
| Postpetition other taxes paid | - | - |
| Total | \$ - | \$ - |

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION

MOR-7

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Debtor Questionnaire

| General Questions | | Yes | No |
|--------------------------|--|------------------|-----------|
| 1 | WERE ANY PAYMENTS MADE ON PREPETITION DEBT? | X | |
| 2 | WERE ANY PAYMENTS MADE OUTSIDE THE ORDINARY COURSE OF BUSINESS WITHOUT COURT APPROVAL? | | X |
| 3 | WERE ANY PAYMENTS MADE TO OR ON BEHALF OF INSIDERS? | X ⁽¹⁾ | |
| 4 | ARE YOU CURRENT ON POSTPETITION TAX RETURN FILINGS | X | |
| 5 | ARE YOU CURRENT ON POSTPETITION ESTIMATED TAX PAYMENTS? | X | |
| 6 | WERE ALL TRUST FUND TAXES REMITTED ON A CURRENT BASIS? | X | |
| 7 | WAS THERE ANY POSTPETITION BORROWING, OTHER THAN TRADE CREDIT? | | X |
| 8 | WERE ALL PAYMENTS MADE TO OR ON BEHALF OF PROFESSIONALS APPROVED BY THE COURT | X | |
| 9 | HAS A PLAN OF REORGANIZATION BEEN FILED WITH THE COURT? | X ⁽²⁾ | |
| 10 | HAS A DISCLOSURE STATEMENT BEEN FILED WITH THE COURT? | X ⁽²⁾ | |
| 11 | ARE YOU CURRENT WITH QUARTERLY U.S. TRUSTEE FEES AS SET FORTH UNDER 28. U.S.C. § 1930? | X | |

| Insurance Questions | | Yes | No |
|----------------------------|--|------------|-----------|
| 1 | DO YOU HAVE WORKER'S COMPENSATION INSURANCE? | X | |
| 1A | IF YES, ARE YOUR PREMIUMS CURRENT? | X | |
| 2 | DO YOU HAVE CASUALTY/PROPERTY INSURANCE? | X | |
| 2A | IF YES, ARE YOUR PREMIUMS CURRENT? | X | |
| 3 | DO YOU HAVE GENERAL LIABILITY INSURANCE? | X | |
| 3A | IF YES, ARE YOUR PREMIUMS CURRENT? | X | |

Notes

1) Pursuant to the *Final Order (A) Authorizing the Payment of Certain Prepetition Taxes and Fees and (B) Granting Related Relief* (Docket No. 60), the Debtors continue to pay prepetition taxes and fees as they come due.

2) The *Combined Disclosure Statement and Joint Chapter 11 Plan* (Docket No. 391) was filed on August 29, 2023 and the *Order Approving the Disclosure Statement, Confirming the Joint Chapter 11 Plan* (Docket No. 485) was signed on September 27, 2023

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION

(Continued) MOR-7

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Schedule of Payments to Insiders

| Payee | Role of Insider | Amount Paid | Cumulative Payments Since Filing |
|-----------------------|--|-------------|-------------------------------------|
| Rich, Terry | Chief Executive Officer, President | \$ - | \$ - |
| Lyle, David | Chief Administrative Officer | - | - |
| Amoruso, Paolo | Chief Legal Officer and Corporate Secretary | - | - |
| Mackey, Marc | Executive Vice President and Digital Surgery | - | - |
| Christopher Thunander | Vice President, Chief Accounting Officer | - | - |
| Total | | \$ - | \$ - |

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: Holo Surgical, Inc.

(Continued) MOR-7
Case No. (Jointly Administered): 23-90736
Reporting Period: 8/1/2023 - 8/31/2023

Debtor Questionnaire - Insurance Supplement⁽¹⁾

| Change (New, Lapsed, Modified, etc.) | Policy Type | Insurance Carrier | Policy Number | Policy Term | Approx. Annualized Premium |
|---|-------------|-------------------|---------------|-------------|----------------------------|
| There were no policy changes for the month of 8/1/2023 - 8/31/2023. | | | | | |

(1) Please see the Order (I) Authorizing the Debtors to (A) Continue the Insurance Program and (B) Pay all Obligations with Respect thereto and, (II) Granting Related Relief (Docket No. 56) for a complete list of insurance policies in effect at the time of the chapter 11 filing. The above represents the Debtors' insurance policies which have been modified during the reporting period.

Appendix A

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Appendix A - Accounts Receivable and Accounts Payable Aging

| Accounts Receivable Aging | |
|--|---------------|
| Accounts Receivable Days Aging | Amount |
| 0 - 30 Days | \$ - |
| 31 - 60 Days | - |
| 61 - 90 Days | - |
| 91+ Days | - |
| Other Non-Trade Receivables ⁽¹⁾ | - |
| Accounts Receivable (Gross) | \$ - |
| Allowance for Bad Debts | - |
| Accounts Receivable (Net) | \$ - |

| Accounts Payable Aging ⁽²⁾ | | |
|--|-----------------------|-----------------------|
| Accounts Payable Days Aging | Trade Payables | Taxes Payables |
| Current | \$ - | \$ - |
| 1 - 30 Days ⁽³⁾ | - | - |
| 31 - 60 Days ⁽³⁾ | - | - |
| 61+ Days ⁽³⁾ | (42,383) | - |
| Total | \$ (42,383) | \$ - |

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION

Appendix B

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Appendix B - Postpetition Status of Secured Notes, Leases Payable, and Adequate Protection Payments**PAYMENTS**

| Name of Creditor | Description | Scheduled Payment Due | Amount Paid | Total Unpaid Postpetition |
|------------------------|---------------------|-----------------------|-------------|---------------------------|
| Bernstein Litowitz Ber | Office Rent Payment | \$ - | \$ - | \$ - |
| Liberty Deerfield LLC | Office Rent Payment | - | - | - |
| Neva | Secured Notes | - | - | - |
| Dearborn | Secured Notes | - | - | - |
| | | Total | \$ - | \$ - |

Appendix C

In re: Holo Surgical, Inc.

Case No. (Jointly Administered):

23-90736

Reporting Period:

8/1/2023 - 8/31/2023

Appendix C - Bank Account Information

| Legal Entity | Bank | Account Type | Last 4 Digits of Account Number | Book Balance |
|------------------------------------|---------------------------|---------------------------------|------------------------------------|----------------------|
| Surgalign Spine Technologies, Inc. | JPMorgan Chase Bank, N.A. | Controlled Disbursement Account | 3683 | \$ - |
| Paradigm Spine LLC | JPMorgan Chase Bank, N.A. | Controlled Disbursement Account | 5800 | - |
| Surgalign Spine Technologies, Inc. | JPMorgan Chase Bank, N.A. | Cash Collateral Account | 0889 | - |
| Surgalign Spine Technologies, Inc. | JPMorgan Chase Bank, N.A. | Operating Account | 3139 | 11,514,650 |
| Surgalign Spine Technologies, Inc. | JPMorgan Chase Bank, N.A. | Payroll Account | 3386 | - |
| Pioneer Surgical Technology, Inc. | JPMorgan Chase Bank, N.A. | Operating Account | 5639 | - |
| Paradigm Spine LLC | JPMorgan Chase Bank, N.A. | Collection Account | 5859 | - |
| Paradigm Spine LLC | JPMorgan Chase Bank, N.A. | Operating Account | 5966 | - |
| Surgalign Holdings Inc | JPMorgan Chase Bank, N.A. | Money Market Account | 4728 | - |
| | | | Total | \$ 11,514,650 |